



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

James W. Coon II, Republican Chief of Staff

April 7, 2008

Mr. Nicholas A. Sabatini
Associate Administrator for Aviation Safety
Federal Aviation Administration

Mr. James J. Ballough
Director, Flight Standards Service
Federal Aviation Administration

Mr. Thomas Stuckey
Federal Aviation Administration

Dear Mr. Sabatini, Mr. Ballough, and Mr. Stuckey:

We are deeply disturbed about statements that you made, under oath, to the Committee at our recent hearing on April 3, 2008, on "Critical Lapses in FAA Safety Oversight" on issues involving the so called Customer Service Initiative (CSI). We believe that your testimony conveyed inaccurate and misleading information about whether Aviation Safety Inspectors and Managers in the Flight Standards Service (which Mr. Ballough directs) were ordered to conduct special meetings with all airlines, repair stations and other regulated entities to deliver and discuss the CSI.

According to documents provided to the Committee¹, the CSI was announced by then Administrator Blakely in December 2002, affirmed by Mr. Sabatini in February 2003, and formally unveiled by Flight Standards in February 2004. The documents spelled out a series of new procedures for appeals by airlines and other regulated entities who were dissatisfied with the actions of FAA safety inspectors. At the hearing, a number of Members of the Committee and witnesses criticized the CSI on the grounds that treating regulated entities as "customers" undercuts the ability of FAA inspectors to enforce safety regulations, and conveys to the regulated entities that their satisfaction is a higher goal than enforcement. The Members and witnesses believe that the only "customer" of the FAA's safety offices are the persons who travel on aircraft.

In the panel which preceded yours at our hearing, Mr. Mills, who is the Assistant Manager of the Dallas Fort Worth Flight Standards District Office, testified that in 2004 he had been "mandated" to promptly visit "every single operator" to deliver a copy of the new procedures.

¹ CSI: Flight Standards, FAA/Industry Customer Service Meetings, Powerpoint Presentation for delivery to Certificate Holders, prepared by AFS-140, February 2004.

Mr. Nicholas A. Sabatini
Mr. James J. Ballough
Mr. Thomas Stuckey
Page 2

Following Mr. Mills testimony, you three officials, the officials to whom Mr. Mills reported² testified in the second panel. Congressman DeFazio asked you whether Mr. Mills was accurate in believing that he had been directed to hand-deliver the CSI. Mr. Sabatini replied, "I was surprised to hear Mr. Mills say he had been instructed to hand deliver that. That certainly is not in the guidelines." Mr. Ballough responded, "Mr. DeFazio, from what I know it was supposed to have been delivered by routine carrier visits and repair station visits." Mr. Ballough added that these visits would take place "at least once a year."

Mr. Sabatini added in response to further questions that he would not agree "that it was widespread" that people were sent to hand-deliver the CSI and Mr. Stuckey said that it would not have been "his expectation" that one individual would spend three months delivering the CSI.

In sum, these answers convey that managers and inspectors had up to one year to deliver the customer service initiative and that it could be done during routine visits.

This relaxed approach is radically different from that directed by the attached memorandum, dated February 12, 2004, which was sent to "All Flight Standards Managers, Supervisors and Employees," under the signature of Mr. Ballough. This memorandum states that after the CSI had been developed to carry out policies announced by Mr. Sabatini in 2003, all field offices had been directed to contact their operators, to provide them CSI literature and discuss CSI with them. Mr. Ballough's memorandum stated that "few of these meetings have occurred and the purpose of this memorandum is to rectify that." The memorandum directed that "within 60 days of the receipt of this memorandum FSDOs (Flight Standards District Offices) and CMOs (Certificate Management Offices) should conduct meetings with "at a minimum their Title 14 Code of Regulations (14 CFR) parts 121, 135, 141, 142, and 145 operators to discuss CSI."³ The meetings were to be conducted with a representative of the operators' management, the FSDO or CMO management and the principal inspectors assigned to that operator. Further, it was a requirement that the record of these meetings was to be entered into the FAA's Performance Tracking Reporting System (PTRS), which underscored the mandatory nature of this requirement placed upon FAA Flight Standards Managers.

This is a very different picture from that created by your testimony. It was inaccurate for you to state that the CSI packages could be delivered during routine visits over the next year. Rather, they were required to be delivered and discussed within 60 days of the memorandum. Certainly, this program, which required meetings with almost 8,000 regulated entities would require a "widespread effort" by inspectors and managers.

Following your testimony, we received testimony supporting Mr. Mills, from Mr. McNease a retired Inspector in the Southern Region:

² Mr. Stuckey headed Flight Standards for FAA's Southwest Region, Mr. Ballough directed Flight Standards for the entire country, and Flight Standards reported to Mr. Sabatini, the Associate Administrator for Safety.

³ Part 121 regulates certificated commercial airlines (97 certificates nationwide); part 135 regulates commuters and on demand operators (2264 operators certified nationwide); part 141 regulates pilot schools (564 certificates nationwide); part 142 regulates training centers (162 certificates nationwide); and part 145 regulates repair stations (4884 operators nationwide).

Mr. Nicholas A. Sabatini
Mr. James J. Ballough
Mr. Thomas Stuckey
Page 3

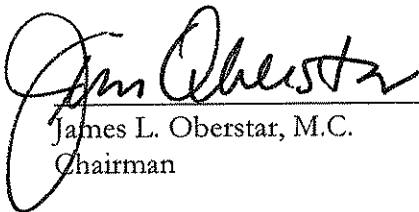
"One other thing to Mr. DeFazio -- I waited to hold this -- you questioned a number of times about Mr. Mills' hand-delivering everything. The answers you got from Mr. Sabatini, Mr. Ballough, and Mr. Stuckey seemed to think that -- they seemed to tell you that that wasn't the way things happened. That's incorrect. It was the way things happened."

"I was in the Southern Region, not the Southwest Region. In the Southern Region, my manager had to go out and deliver every one of those to everybody. It took him really probably -- probably a month and a half or at least that long. He had other duties. But it happened throughout the FAA, and it's not localized."


"I hope you see that the testimony from all of us is that this is, I believe, a systemic problem with the FAA. It's happening in other parts of the country, not just in the Southwest Region."

In conclusion, you should understand that these are very serious issues to our Committee. We cannot condone misleading testimony in our hearings, and in last week's hearing you were sworn under oath to tell the truth. The hearings are the basis for carrying out our legislative and oversight responsibilities. We cannot decide whether reforms or different policies are needed unless we have an accurate picture of all relevant agency actions.

Sincerely,



James L. Oberstar, M.C.
Chairman



Peter A. DeFazio, M.C.
Chairman
Subcommittee on Highways
and Transit



Jerry F. Costello, M.C.
Chairman
Subcommittee on Aviation

Attachment: Memorandum from Director, Flight Standards Service, February 12, 2004

cc: The Honorable Mary Peters, Secretary of Transportation
The Honorable Robert Sturgell, Acting Administrator, Federal Aviation Administration



U.S. Department
of Transportation
**Federal Aviation
Administration**

Memorandum

Subject: **ACTION:** Customer Service Initiative Meetings
with Industry

Date: FEB 12 2004

From: Director, Flight Standards Service, AFS-1

Reply to
Attn. of:

To: All Flight Standards Managers, Supervisors, and
Employees

In 2003, Mr. Nicholas Sabatini, Associate Administrator for Regulation and Certification, AVR-1, announced AVR's commitment to the Administrator's call for improved customer service in the Federal Aviation Administration (FAA). AVR developed and issued a set of customer service principles, along with the promise that AVR employees would respond to customers' needs with "service, integrity, competence, accountability, and partnership." You may obtain more information on AVR's Customer Service Initiative (CSI) at this Intranet site: <http://intranet.faa.gov/avr/index.cfm?nav=CS>.

The AVR CSI emphasizes the use of specific marketing tools—posters, stickers, wallet cards, and pocket cards—which identify for our customers points of contact within the offices they may deal with. Instructions for ordering these materials are included on the Web site at the URL above.

AVR-1 required all organizations within AVR to develop their own, unique process for their customers to address issues that could arise during interaction. We in Flight Standards have developed *CSI: Flight Standards*, a process for our customers to raise issues through our "chain of command" with the goal of resolving those issues at the lowest possible level. As of February 13, 2004, our customers can find *CSI: Flight Standards* through AVR's Customer Service Internet site, <http://www.faa.gov/avr/afs/csi/opguide.doc>, and Flight Standards personnel will find it either on the AVR CSI Intranet site, <http://intranet.faa.gov/avr/afs/csi/opguide.doc>, or on Flight Standards Communications Central: <http://intranet.faa.gov/avr/afs/>.

When AVR-1 announced CSI last year, I indicated at that time that field offices should contact their operators, provide them with the marketing tools, and discuss CSI with them. I have since learned that few of these meetings have occurred, and the purpose of this memorandum is to rectify that.

First, all Flight Standards District Offices (FSDO) and Certificate Management Offices (CMO) shall order a sufficient amount of the AVR CSI marketing tools by contacting the TASC Publications Helpline during the hours of 7:30 a.m. to 5:00 p.m., Monday through Friday, except for Federal holidays, at 301-322-4961. You may also fax an order to TASC at 301-386-5394. Use the following descriptions for the CSI marketing tools when ordering:

- AVR Customer Service Principles Round Stickers
- AVR Customer Service Principles Wallet Cards (2 x 3 1/2 inches folded)
- AVR Customer Service Principles Pocket Brochures (3 1/2 x 6 inches folded)
- AVR Customer Service Principles Small Posters (8 1/2 x 11 inches)

Next, within 60 days of the receipt of this memorandum, FSDOs and CMOs shall conduct meetings with, at a minimum, their Title 14 Code of Federal Regulations (14 CFR) parts 121, 135, 141, 142, and 145 operators to discuss CSI. The attendees at these meetings shall be an appropriate representative of the operator's management, the FSDO or CMO management, and the principal inspectors assigned to that operator. The objectives of this meeting will be to:

1. Decide how the office and the operator will work in an interdependent manner to resolve issues.
2. Provide the operator with a copy of *CSI: Flight Standards*, either a printed copy or URL information.
3. Provide the operator with copies of the AVR CSI marketing tools, filled out with the appropriate contact information.
4. Commit to following the process outlined in *CSI: Flight Standards* and make every attempt to resolve issues at the lowest possible level.

After offices have conducted these meetings, they shall record in the Program Tracking and Reporting Subsystem (PTRS) the following information for each meeting held with each operator:

- Date of the meeting
- Who attended from the operator
- FAA participants

In the National Use block, enter the letters CSI and use the following PTRS codes:

- Operations : 1380 Tech/Admin/Special Emph Prog
- Airworthiness: 3390 Tech/Admin/Special Emph Prog
- Avionics: 5390 Tech/Admin/Special Emph Prog

Document these meetings in Labor Distribution Reporting, using the following codes:

12XXFACORPSV
CP1000

Offices should also make every effort to extend CSI to all its customers. For example, other general aviation operators (14 CFR parts 61, 91, 133, 137, etc.) and individual airmen could receive their CSI materials and briefings at Aviation Safety Program seminars within the 60 days prescribed in this memorandum.

If you have any questions on the AVR CSI or *CSI: Flight Standards*, please contact Ms. Phyllis A. Duncan, of my staff, at (202) 267-8017.

A handwritten signature in black ink, appearing to read "James J. Ballough". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

James J. Ballough